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#### DEPARTMENT OF COMMERCE

International Trade Administration

[A-549-831]

Steel Threaded Rod from Thailand: Preliminary Determination of Sales at Less Than Fair Value and Affirmative Preliminary Determination of Critical Circumstances

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the "Department") preliminarily determines that steel threaded rod from Thailand is being, or is likely to be, sold in the United States at less than fair value ("LTFV"), as provided in section 733(b) of the Tariff Act of 1930, as amended (the "Act"). The period of investigation ("POI") is April 1, 2012, through March 31, 2013. The estimated weighted-average dumping margins of sales at LTFV are listed in the "Preliminary Determination" section of this notice. Interested parties are invited to comment on this preliminary determination.

EFFECTIVE DATE: [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: Raquel Silva or Laurel LaCivita, AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-6475 or (202) 482-4243.

#### SUPPLEMENTARY INFORMATION:

#### Scope of the Investigation

The merchandise covered by this investigation is steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon quality steel, having a solid, circular cross section,

of any diameter, in any straight length, that have been forged, turned, cold-drawn, cold-rolled, machine straightened, or otherwise cold-finished, and into which threaded grooves have been applied. In addition, the steel threaded rod, bar, or studs subject to this investigation are non-headed and threaded along greater than 25 percent of their total length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (*i.e.*, galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise. For a complete description of the scope of the investigation, *see* Appendix 1 to this notice.

### Tolling of Deadlines for Preliminary Determination

As explained in the memorandum from the Assistant Secretary for Enforcement and Compliance, the Department has exercised its discretion to toll deadlines for the duration of the closure of the Federal Government from October 1, through October 16, 2013.<sup>1</sup> Therefore, all deadlines in this segment of the proceeding have been extended by 16 days. If the new deadline falls on a non-business day, in accordance with the Department's practice, the deadline will become the next business day.<sup>2</sup> The revised deadline for the preliminary determination of this investigation is now December 20, 2013.

#### <u>Methodology</u>

The Department has conducted this investigation in accordance with section 731 of the Act. Because the only selected mandatory respondent, Tycoons Worldwide Group (Thailand)

Public Co., Ltd. ("Tycoons"), failed to respond to the Department's questionnaire, we have preliminarily determined to apply adverse facts available to this respondent, in accordance with

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<sup>&</sup>lt;sup>1</sup> See Memorandum for the Record from Paul Piquado, Assistant Secretary for Enforcement and Compliance,

<sup>&</sup>quot;Deadlines Affected by the Shutdown of the Federal Government" (October 18, 2013).

<sup>&</sup>lt;sup>2</sup> See Notice of Clarification: Application of "Next Business Day" Rule for Administrative Determination Deadlines Pursuant to the Tariff Act of 1930, As Amended, 70 FR 24533 (May 10, 2005).

section 776 if the Act and 19 CFR 351.308. The critical circumstances allegation has been analyzed in accordance with section 733(e)(1) of the Act and 19 CFR 351.206.

For a full description of the methodology underlying our conclusions, see the Memorandum to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance from Christian Marsh, Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations entitled "Decision Memorandum for the Preliminary Determination of the Antidumping Duty Investigation of Steel Threaded Rod from Thailand," dated concurrently with and hereby adopted by this notice ("Preliminary Decision Memorandum"). The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System ("IA ACCESS"). IA ACCESS is available to registered users at <a href="http://iaaccess.trade.gov">http://iaaccess.trade.gov</a>, and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the internet at <a href="http://enforcement.trade.gov/frn/">http://enforcement.trade.gov/frn/</a>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

## Preliminary Affirmative Determination of Critical Circumstances

On November 22, 2013, Petitioners<sup>3</sup> filed a timely critical circumstances allegation, pursuant to section 773(e)(1) of the Act and 19 CFR 351.206(c)(1), alleging that critical circumstances exist with respect to imports of the merchandise under consideration.<sup>4</sup> In accordance with 19 CFR 351.206(c)(2)(i), when a critical circumstances allegation is submitted

<sup>&</sup>lt;sup>3</sup> The petition was filed by All America Threaded Products Inc., Bay Standard Manufacturing Inc., and Vulcan Threaded Products Inc. ("Petitioners").

more than 20 days before the scheduled date of the preliminary determination, the Department must issue a preliminary finding whether there is a reasonable basis to believe or suspect that critical circumstances exist no later than the date of the preliminary determination. We have conducted an analysis of critical circumstances in accordance with section 733(c) of the Act and 19 CFR 351.206, and have preliminarily determined that: (1) importers knew or should have known that the exporter was selling the merchandise under consideration at LTFV and that there was likely to be material injury in accordance with section 733(e)(1)(A)(ii) of the Act; and (2) imports of the subject merchandise have been massive over a relatively short period in accordance with section 733(e)(1)(B) of the Act. For a full description of the methodology and results of our analysis, please *see* the Preliminary Decision Memorandum.

### All Others Rate

Section 735(c)(5)(A) of the Act provides that the estimated "all others" rate shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely under section 776 of the Act. Tycoons is the only company being individually examined in this investigation, but its margin was determined entirely under section 776 of the Act. In cases where no weighted-average dumping margins besides zero *de minimis*, or determined entirely under section 776 of the Act have been established for individually investigated entities, the Department averages the margins calculated by the Petitioner in the petition and applies the result to all other entities not individually examined.<sup>5</sup>

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<sup>&</sup>lt;sup>4</sup> See letter from Petitioners, "Antidumping Investigation of Steel Threaded Rod from Thailand: Petitioners' Allegation of Critical Circumstances," date November 22, 2013.

<sup>&</sup>lt;sup>5</sup> See Notice of Preliminary Determination of Sales at Less Than Fair Value: Sodium Nitrite from the Federal Republic of Germany, 73 FR 21909 (April 23, 2008); unchanged in Notice of Final Determination of Sales at Less

## **Preliminary Determination**

We preliminary determine the weighted-average dumping margins are as follows:

Producer or Exporter	Weighted-Average Dumping Margin
	(percent)
Tycoons Worldwide Group (Thailand) Public Co.,	74.90
Ltd.	
All Others	68.41

#### Disclosure

The Department intends to disclose to parties the calculations performed in connection with this preliminary determination within five days of the date of publication of this notice.<sup>6</sup>

Public Comment

Interested parties are invited to comment on the preliminary determination. Interested parties may submit case briefs to the Department no later 30 days after the date of publication of the preliminary determination.<sup>7</sup> Rebuttal briefs, the content of which is limited to the issues raised in the case briefs, must be filed within five days from the deadline date for the submission of case briefs.<sup>8</sup> A list of authorities used, a table of contents, and an executive summary of issues should accompany any briefs submitted to the Department.<sup>9</sup> Executive summaries should be limited to five pages total, including footnotes. Interested parties who wish to comment on the preliminary determination must file briefs electronically using IA ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5 p.m. Eastern Standard Time on the date the document is due.

Than Fair Value: Sodium Nitrite from the Federal Republic of Germany, 73 FR 38986 (July 8, 2008).

<sup>7</sup> See 19 CFR 351.309(c)(1)(i).

<sup>&</sup>lt;sup>6</sup> See 19 CFR 351.224(b).

<sup>&</sup>lt;sup>8</sup> See 19 CFR 351.309(d)(1) and 19 CFR 351.309(d)(2).

In accordance with section 774 of the Act, the Department will hold a hearing, if timely requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs, provided that such a hearing is requested by an interested party. <sup>10</sup> Interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically using IA ACCESS, as noted above. An electronically filed request must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5 p.m. Eastern Standard Time within 30 days after the date of publication of this notice.<sup>11</sup> Requests should contain the following information: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. 12 If a request for a hearing is made, we will inform parties of the scheduled date for the hearing which will be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230.<sup>13</sup> Parties should confirm by telephone the date, time, and location of the hearing.

## Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, we normally will direct U.S. Customs and Border Protection ("CBP") to suspend liquidation of all entries of steel threaded rod from Thailand, as described in the "Scope of the Investigation" section, entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the Federal Register. However, because we have preliminarily found critical circumstances exist with regard to exports by Tycoons and All Others, we will instruct CBP to suspend liquidation of covered

 <sup>&</sup>lt;sup>9</sup> See 19 CFR 351.309(c)(2).
 <sup>10</sup> See also 19 CFR 351.310.

<sup>&</sup>lt;sup>11</sup> See 19 CFR 351.310(c).

<sup>12</sup> See id.

entries entered, or withdrawn from warehouse, for consumption up to 90 days prior to the date of publication of this notice in the *Federal Register*.<sup>14</sup>

Pursuant to 19 CFR 351.205(d), the Department will instruct CBP to require a cash deposit<sup>15</sup> equal to the preliminary weighted-average amount by which normal value exceeds U.S. price, as indicated in the chart above, as follows: (1) the rate for the firm listed above will be the rate we have determined in this preliminary determination; (2) if the exporter is not a firm identified in this investigation, but the producer is, the rate will be the rate established for the producer of the subject merchandise; (3) the rate for all other producers or exporters will be 68.41 percent. These suspension of liquidation instructions will remain in effect until further notice.

### U.S. International Trade Commission ("ITC") Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our preliminary affirmative determination of sales at LTFV. If our final determination in this proceeding is affirmative, section 735(b)(2) of the Act requires that the ITC make its final determination as to whether the domestic industry in the United States is materially injured, or threatened with material injury, by reason of imports of steel threaded rod from Thailand before the later of 120 days after the date of this preliminary determination or 45 days after our final determination.

<sup>13</sup> See 19 CFR 351.310.

<sup>&</sup>lt;sup>14</sup> See section 733(e)(2) of the Act.

<sup>&</sup>lt;sup>15</sup> See Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations, 76 FR 61042 (October 3, 2011).

This determination is issued and published pursuant to sections 733(f) and 777(i)(1) of the Act.

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

Dated: December 20, 2013.

#### Appendix I

## **Scope of the Investigation**

The merchandise covered by this investigation is steel threaded rod. Steel threaded rod is certain threaded rod, bar, or studs, of carbon quality steel, having a solid, circular cross section, of any diameter, in any straight length, that have been forged, turned, cold-drawn, cold-rolled, machine straightened, or otherwise cold-finished, and into which threaded grooves have been applied. In addition, the steel threaded rod, bar, or studs subject to this investigation are nonheaded and threaded along greater than 25 percent of their total length. A variety of finishes or coatings, such as plain oil finish as a temporary rust protectant, zinc coating (*i.e.*, galvanized, whether by electroplating or hot-dipping), paint, and other similar finishes and coatings, may be applied to the merchandise.

Included in the scope of this investigation are steel threaded rod, bar, or studs, in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 1.80 percent of manganese, or
- 1.50 percent of silicon, or
- 1.00 percent of copper, or
- 0.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or
- 0.40 percent of lead, or
- 1.25 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.012 percent of boron, or
- 0.10 percent of molybdenum, or
- 0.10 percent of niobium, or
- 0.41 percent of titanium, or
- 0.15 percent of vanadium, or
- 0.15 percent of zirconium.

Steel threaded rod is currently classifiable under subheadings 7318.15.5051, 7318.15.5056, 7318.15.5090 and 7318.15.2095 of the Harmonized Tariff Schedule of the United States ("HTSUS"). Although the HTSUS subheadings are provided for convenience and customs purposes, the written description of the merchandise is dispositive.

Excluded from the scope of this investigation are: (a) threaded rod, bar, or studs which are threaded only on one or both ends and the threading covers 25 percent or less of the total length; and (b) threaded rod, bar, or studs made to American Society for Testing and Materials ("ASTM") A193 Grade B7, ASTM A193 Grade B7M, ASTM A193 Grade B16, and ASTM A320 Grade L7.

# Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- 1. Background
- 2. Scope of the Investigation
- 3. Respondent Selection
- 4. Application of Facts Available and Adverse Facts Available
- 5. All Others Rate
- 6. Critical Circumstances
- 7. Recommendation

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